

**UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

**MILO H. SEGNER, JR.,**  
**Plaintiff,**

**v.**

**WORKMAN SECURITIES CORP.,**  
**DEWAAY FINANCIAL NETWORK,**  
**Defendants.**

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**Civil Action No. 3:14-CV-2178-B**

**STATUS REPORT**

TO THE HONORABLE JUDGE OF SAID COURT:

Milo H. Segner, Jr., as Trustee of the PR Liquidating Trust (“Trustee”) files this Status Report:

1. This case severed the two remaining defendants from *Segner v. Securities America, Inc. et al.*, Civ. Act. No. 3:10-cv-1884, pending in the United States District Court for the Northern District of Texas. The Trustee’s most recent status report in *Segner v. Securities America* was filed on February 14, 2014. *See Segner v. Securities America, Inc. et al.*, Civ. Act. No. 3:10-cv-1884, pending in the United States District Court for the Northern District of Texas [Doc. 426]. The Trustee is filing this Status Report to further document the status of the case as it relates to the two defendants in this lawsuit, Workman Securities Corporation and DeWaay Financial Network.

2. The Trustee originally brought two types of claims against each Defendant in this litigation. The first type is a fraudulent transfer claim that the Trustee asserts pursuant to 11 U.S.C. §§ 548, 550 and the Texas Uniform Fraudulent Transfer Act (the “***Fraudulent Transfer Claims***”). The second type of claim consists of claims assigned to the PR Liquidating Trust by investors in the Provident Royalties Ponzi scheme (the “***Assigned Claims***”). *See* Plaintiff’s Complaint as a Result of Severance [Doc. 1]. Judge Furgeson previously stayed the Assigned Claims and ordered

that they be resolved in arbitration. *See Segner v. Securities America, Inc. et al.*, Civ. Act. No. 3:10-cv-1884, pending in the United States District Court for the Northern District of Texas [Doc. 131]. The Fraudulent Transfer Claims remained before the Court.

**I. CLAIMS BEFORE THE COURT: SETTLED WITH DISMISSAL PENDING**

4. On or around January 29, 2013, the Trustee reached a settlement with Defendant DeWaay Financial Network. This is part of a settlement that the Iowa state court approved. The settlement funds will be distributed in accordance with the terms of the settlement, meaning that the settlement funds will be disbursed once the other parties involved in the case pending in Iowa have completed the appeal process. That settlement is not fully funded at this time because the appeals process has not been completed. No further action is needed by the Court on this matter at this time.

5. Additionally, the Trustee has agreed to settlement terms for the Assigned Claims against Workman Securities Corporation. The terms of the settlement include an agreed arbitration award. FINRA required the parties to re-file the arbitration before it would approve the agreed arbitration award, which the parties have done. The agreed arbitration has not been approved by FINRA, but the Trustee will apply to the court to confirm the award after it is. Workman is not represented by an attorney in this Court, so the Trustee was not able to confer.

**VI. CONCLUSION**

6. The Trustee believes that no deadlines need to be imposed by the Court at this time. The parties are concluding the ministerial acts necessary to complete the judgments or settlements as described above. The Trustee hopes that all matters will be resolved by the end of 2014.

7. WHEREFORE, premises considered, the Trustee respectfully submit the forgoing Status Report.

Respectfully submitted,

SOMMERMAN & QUESADA, L.L.P.

/s/ Andrew B. Sommerman

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ATTORNEYS FOR PLAINTIFF

**CERTIFICATE OF SERVICE**

I hereby certify this 1st day of July, 2014 that a copy of the foregoing document was filed electronically in compliance with Local Rule 5.1(e).

I hereby certify this 1st day of July, 2014 that a copy of the foregoing document was served on the following via certified mail return receipt requested:

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**/s/ Andrew B. Sommerman**